

ELECTRICITY EXPORT AUTHORIZATION

ARIZONA PUBLIC SERVICE COMPANY

ORDER NO. EA-107

BACKGROUND:

Exports of electricity from the United States to a foreign country are regulated and require authorization under section 202(e) of the Federal Power Act.

On June 22, 1995, Arizona Public Service Company (APS) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE) for authorization to transmit electric energy from the United States to Mexico. Specifically, APS is seeking authority to export up to 20 megawatts (MW) of emergency power and associated energy to the Comision Federal de Electricidad (CFE), the national electric utility of Mexico.¹

The DOE also has the responsibility for implementing Executive Order 10485, as amended by Executive Order 12038, which requires the issuance of Presidential permits for the construction, connection, operation and maintenance of electric transmission facilities at the U.S. international border. On June 22, 1995, in related Docket PP-107, APS requested authority to construct a new 34.5-kilovolt (kV) transmission line from its Fairview substation, located in Douglas, Arizona, to the U.S.-Mexico border adjacent to Agua Prieta, Sonora, Mexico. These transmission facilities will be used to deliver the electric energy authorized for export by this Order. On November 28, 1995, in Order PP-107, DOE granted a Presidential permit to APS for the construction of these facilities.

¹ Upon receipt of this application FE assigned Docket number EA-109. After further consideration, FE determined that the export authority requested was inextricably linked to the 4000-foot, 34.5-kV international transmission facility constructed to link Douglas, Arizona, and Agua Prieta, Mexico, (Presidential Permit PP-107) and therefore has renumbered the docket to more closely comport with the associated Presidential permit.

Notice of the APS export application was placed in the Federal Register on August 2, 1995, (60 FR 39375) soliciting comments, protests, and petitions to intervene. One intervention was submitted by El Paso Electric Company on September 1, 1995.

El Paso Electric Company Petition for Intervention

In its intervention petition, EPE referred to its status as an electric utility company directly interconnected with APS but raised no direct issues regarding the issuance of an export authorization.

DECISION

The DOE has assessed the impact that the proposed export would have on the reliability of the U.S. electric power supply system. As a result of this review, the DOE has determined that the export of electric energy to Mexico as requested by APS would not impair the sufficiency of electric supply within the United States and would not impede or tend to impede the coordination in the public interest of facilities in accordance with Section 202(e) of the Federal Power Act. A staff analysis in support of this finding has been made a part of the record in this docket.

The DOE has also assessed the potential environmental impacts associated with the proposed action and has determined that this action is among those classes of actions not normally requiring preparation of an environmental assessment or an environmental impact statement, and, therefore, is eligible for categorical exclusion under Appendix B to Subpart D, paragraph B4.2 of the revised DOE Regulations implementing the National Environmental Policy Act of 1969. Specifically, this categorical exclusion is for exports of electricity over existing transmission lines. Documentation of the use of this categorical exclusion has been placed in this docket.

ORDER:

Based on the above finding, it is hereby ordered that:

(A) Arizona Public Service (APS) is authorized to export emergency electric energy to Comision Federal de Electricidad (CFE) consistent with the terms of the soon to be executed Agreement for Reciprocal Emergency Assistance.

(B) The electric energy which APS herein is authorized to transmit from the United States to Mexico shall be transmitted over the facilities authorized by Presidential Permit PP-107.

(C) APS shall conduct all operations pursuant to the authorization hereby granted in accordance with the provisions of the Federal Power Act and pertinent rules, regulations and orders adopted or issued by the DOE.

(D) This authorization shall be without prejudice to the authority of any State regulatory commission for the exercise of any lawful authority vested in such State or State regulatory commission.

(E) APS shall make and preserve full and complete records with respect to the electric energy exported to Mexico. APS shall furnish a report to the DOE annually by February 15, detailing for each month of the previous calendar year, the gross amount of electricity delivered, the consideration received, and the peak hourly rate of transmission.

(F) Exports to CFE authorized herein shall be reduced or suspended, as appropriate, whenever a continuation of those exports would impair or tend to impair the reliability of the U.S. electric power supply systems.

Issued in Washington, D.C., on December 5, 1995.

Anthony J. Como
Director
Office of Coal & Electricity
Office of Fuels Programs
Office of Fossil Energy